CONCILIATION COMMISSIONER REPORTS

No. 3, 1975

Conciliation Commissioner Reports in disputes between:

The Pacific Pilotage Authority and Canadian Merchant Service Guild

Big Valley Supply and Enterprises Limited and General Teamsters, Local Union No. 362

S. M. T. (Eastern Limited) and Amalgamated Transit Union, Local Division 1229

Atomic Energy of Canada Limited and The Ottawa Atomic Workers Union, Local 1541 (CLC)

Atomic Energy of Canada Limited and United Association of Journeymen and Apprentices of the Plumbing and Pipe Fitting Industry of the United States and Canada, Local Union No. 254

CANADA DEPARTMENT OF LABOUR

Hon. John Munro, Minister

T. M. Eberlee, Deputy Minister

Report of Conciliation Commissioner appointed to deal with a dispute involving
The Pacific Pilotage Authority (hereinafter called the Company)
and
Canadian Merchant Service Guild (hereinafter called the Union)

The Conciliation Commissioner appointed by the Minister of Labour to deal with this dispute was Professor J. C. Smith of Vancouver. His report was received by the Minister in June.

The parties to this dispute are covered by a Collective Agreement which remains in effect until June 30th, 1976, except for wages which remain in effect until June 30th, 1975.

As the parties have been unable to reach an agreement on the wage rates for the second year of the contract, I have been appointed on the 2nd of June, 1975 as Conciliation Commissioner in this matter.

The bargaining unit consists of 13 employees who are masters or engineers aboard pilot vessels.

The Union have argued strongly that the increase should bring the wages of the Launchmasters up to the level of a Class 3 Towboat Master. Although the certification requirements are the same, there are many differences in regard to the duties and responsibilities and type and conditions of work. I find these differences sufficiently great that no meaningful comparison can be made between the two jobs as far as wages are concerned. I therefore take the position that there is no necessary reason why the Launchmasters should receive the same level of pay as a Class 3 Towboat Master. Given this finding I find that there is no point in talking about a catch-up or an upgrading, as there is no meaningful basis in terms of which to measure the two different jobs.

Given that I can find no basis for ascertaining the proper wage to be paid by comparing the Launchmasters with other jobs, I must find another principle upon which to base my recommendation. I believe, in these circumstances, the appropriate guide should be the general level of wage settlements which the Guild has succeeded in negotiating in its other collective agreements in the private sector.

No reason has been advanced to me why the Launchmasters and Launchengineers should receive a smaller rate increase than is received in the private sector, and given that there is no meaningful basis in other operations with which the Launchmasters and Launchengineers can be compared, the average increase in the private sector makes sense as a meaningful measure.

The Canadian Merchant Service Guild have negotiated the following wage settlements for 1975.

1. Fraser River Pilots
   19% one-year wage increase.
2. C.P.R., B.C.C.S.
   22% total one-year wage increase paid in two increments – 17% and 5%.
3. Northern Construction
   16% to 18% (dependent on category) one-year wage increase.
4. Harbour Ferries
   19% one-year wage increase.
5. B.Y.N.
   18% one-year wage increase.

In the light of the above settlements 18% would appear to be in line with the overall wage settlements negotiated by the Guild elsewhere.

I therefore recommend that the wages be increased by 18% across the board for the second year of the agreement.

Dated at the City of Vancouver, Province of British Columbia, this 13th day of June, 1975.

(Sgd.) J.C. Smith,
Conciliation Commissioner.

Report of Conciliation Commissioner appointed to deal with a dispute involving
Big Valley Supply and Enterprises Limited, Calgary (Employer)
and
General Teamsters, Local Union No. 362 (Bargaining Agent)

The Conciliation Commissioner appointed by the Minister of Labour to deal with this dispute was Stephen G. Peitchinis of Calgary. His report was received by the Minister in July.

The Conciliation Commissioner met with Mr. R. Crone, President of Big Valley Limited on the morning of May 22, 1975, and with Mr. Crone, Mr. W. Magwood, President and Business Agent of the Union, and Mr. J. Johnston, Business Agent of 362, on the evening of May 22. An effort was made to determine the respective positions of the two parties, and identify the critical issues.

It became evident at the outset that neither party had at its disposal any statistical information relating to the key issue of actual payments to owner-operators, the cost per mile of running, and the average number of miles run by each owner-driver. I suggested that without such information it would be difficult to determine whether existing contractual arrangements were satisfactory or not. Therefore, I requested that such information be made available by both parties.

The delay in reporting on the dispute was caused by the failure of the parties to provide the information. On June 11, 1975 the Union representative provided a partial report which apparently was based on one case only. The company failed to provide the requested information, despite numerous reminders, and despite the admission that the information was available. On June 30, I informed Mr. Crone of my intention to submit a report indicating lack of cooperation, and he provided me with a limited amount of information (over the telephone) on cents-per-mile equivalence of the share of gross revenue paid to three owner-operators.

On May 31, 1975 I met with Mr. Magwood and determined that he would be willing to recommend settlement at considerably less than what the owner-operators want in order to get this first contract. It became evident that the union wishes to have and use this contract as a model for owner-operators employed by other companies.

On June 9, 10, 17 and 23 I communicated with Mr. Crone's secretary (at his suggestion) and discussed various matters relating to the nature of transport units used and licensing procedures and costs.

There are two critical issues: payment and layover. Given agreement on these, the remainder of the proposed contract will not present serious difficulties.

I PAYMENT

1. At present owner-operators are paid *62 per cent of gross revenue*. There are *four problems* with this: (1) the company contracts the shipments to be conveyed; (2) the company negotiates the rates to be charged; (3) the company determines whether or how much of a return load there will be; and (4) the company determines the location of the return load and when it is to be picked up. This 4th problem has implications for the second critical issue, namely, layover.

2. The Union maintains, and in my opinion correctly so, that 62% of zero is zero. Since the owner-operator bears all costs of conveyance, i.e. gas, oil, maintenance, tires, license, overload and overwidth permits, it is not unreasonable to request a contractual assurance that he will not be dispatched on costly trips with limited loads, that he will not be required to drive long distances with an empty truck to get a return load, that the rates charged will be competitive rates, and that he will not be required to lay over unnecessarily long periods awaiting the making-up of return loads.

3. A satisfactory resolution of this issue would be a *guaranteed minimum payment per running mile.* Such a guarantee will provide the necessary protection against empty runs, half-load runs and the charging of less than competitive rates. It will not provide any protection, of course, against the possibility of scores of short, costly runs which do not add up to many miles.

4. The company agreed with the principle of a guarantee and offered a minimum of *42¢ per running mile.* The mileage is to be calculated on a calendar month basis. The union has asked for a minimum of 50¢ per running mile.

5. Information provided by the company indicates that 62 per cent of gross revenue received by owner-operators since January 1975 would average to about 45¢ per running mile. If we accept this information to be substantially correct, then the union demand would be substantially above the average. Also, even 45¢ per running mile would be too high, since the guarantee that is being sought is for a minimum, and the average earned cannot be a minimum guarantee. Therefore,

6. I would recommend that *the Guaranteed Minimum Payment per Mile be set at 43 cents.*

7. The union is also asking for an increase in the share of gross revenue from 62% to 65%. The company has given strong indication that it is not prepared to consider such a revision. Nevertheless, I believe this issue can be resolved in the following way: (a) the share of gross revenue received by owner-operators should be raised from 62% to 63%; and (b) the company should assume the costs of interstate licenses and special permits. License costs for interstate haulage in the U.S. depend on the number of miles travelled within each state; and there are notable variations in charges from state to state. Considering that the company determines where loads are to be taken, and considering further that the company arranges the payment of interstate licenses and special permits, this should be a logical solution to the problem. The present license fees amount to about $2,000 and they are borne entirely by the owner-operators. The fee for operation within Alberta only is $1,281 and that for interstate haulage averages about $750. *The recommendation is that the company assume the burden of charges for interstate haulage.*

II LAYOVER

1. At present the owner-operator bears the entire cost of accommodation and subsistence when layed over regardless of the reason for laying over. The company maintains that it has no control over decisions to lay over, and should not have to bear the cost-burden of decisions that are motivated by personal and social considerations. This is a legitimate argument, and should be taken into account. But, there is recognition also of lay-overs that are work-related: a shipment not being ready for loading; delays in trans-shipment from trains, planes and ships; terrain unsuitable for traffic; and so on.

2. There is no doubt that both social and work-related factors account for lay-overs. The problem is to identify and verify the causal factors. Given a mutually acceptable procedure for identification and verification, it should then be possible to require the company to assume the cost of accommodation and subsistence for lay overs that are related to the work-process.

3. The union has suggested that the company assume lay-over costs incurred after a lay-over of 24 hours. But, the company argues that there have been lay-overs of up to one week, which could not be explained by delays related to the work-process. It is evident that this matter involves a question of trust in reporting accurately the causal factors of lay-overs. Therefore,

4. It is recommended that (a) the parties be urged to devise a procedure which would provide for the identification and verification of causal factors; and (b) the cost of lay-overs that are work-related and identified as being beyond the control of the owner-operator (as per II.1 above) should be borne by the company.

5. An agreement would be necessary on maximum payments for accommodation and subsistence.

III. The parties have indicated that given agreement on those two issues, and particularly on the issue of payment, the remainder of the contract would not present serious difficulties.

(Sgd.) Stephen G. Peitchinis,
Conciliation Commissioner.

Report of Conciliation Commissioner appointed to deal with a dispute involving Atomic Energy of Canada Limited and The Society of Professional Engineers and Associates of Atomic Energy of Canada Limited

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The Conciliation Commissioner appointed by the Minister of Labour to deal with this dispute was George S. P. Ferguson, Q.C., of Toronto. His report was received by the Minister in July.

I was appointed on June 2, 1975, as Conciliation Commissioner to deal with matters in dispute between the above noted parties. I met with the parties on June 19th and June 21st.

I was not able to resolve the matters in dispute, and therefore I am pleased to submit my report within the time limit prescribed.

I note that the Conciliation Officer, Mr. H. R. Bartenbach, met with the parties from May 12th to May 14th, and notwithstanding his efforts, none of the matters in dispute were settled.

There are approximately 300 employees in the bargaining unit. The Society obtained bargaining rights on December 9, 1974. Prior to conciliation there were numerous negotiating meetings. It is difficult to understand why there was not more progress in direct negotiations, but, of course, one can appreciate the difficulties encountered by the parties in attempting to resolve the framework of a first collective agreement which deals with a professional group represented by a bargaining agent which has not had any experience in collective bargaining.

When meeting with the parties I attempted to deal with approximately twenty issues. On many matters there were new proposals made by the employer and I must say that the Society made a substantial "move" to attempt to resolve many of the issues. Notwithstanding this fact, there were still many items in dispute which would normally be settled in direct negotiations.

The question remains as to whether or not I should submit specific recommendations for a settlement in my capacity as Conciliation Commissioner. In this case, by making recommendations I would be attempting to write a complete collective agreement for the parties. In view of the fact that certain matters have not even been properly explored by the parties, I would consider it inequitable to make a recommendation unless it could be based on a "full package formula."

Under the circumstances outlined above, I have elected not to make recommendations on the terms of settlement in this matter. I express the hope that, through far more meaningful collective bargaining, it will be possible for the parties to resolve most or all of the issues before economic pressure is exercised.

(Sgd.) George S. P. Ferguson,
Conciliation Commissioner.

Report of Conciliation Commissioner appointed to deal with a dispute involving S. M. T. (Eastern Limited), St. John and Amalgamated Transit Union, Local Division 1229

The Conciliation Commissioner appointed by the Minister of Labour to deal with this dispute was Lorne O. Clarke, Q.C., of Truro, N.S. His report was received by the Minister in July.

Pursuant to the provisions of Section 166 (a) of the Canada Labour Code, (I was) appointed a Conciliation Commissioner to "endeavour to effect agreement between the parties on the matters on which they have not agreed."

I arranged meetings mutually agreeable to the parties beginning in Saint John on the morning of July 17, 1975 and continuing through July 18, 1975.

The last Collective Agreement expired March 31, 1975. There are approximately 121 employees in the bargaining unit.

The parties have had several meetings attended by their negotiating committees. Having failed to conclude an agreement, subsequent meetings were held with the assistance of a Conciliation Officer of (the) Department.

After lengthy sessions with the parties, both joint and several, a Memorandum of Agreement between them has not yet been concluded. However these discussions did produce a basis upon which a number of the outstanding issues can be resolved. On others it is necessary to make recommendations.

I propose now to make recommendations for the settlement of all the issues placed before me in the hope that these recommendations may form a basis upon which the parties can conclude an agreement and thus avoid a work stoppage.

The employer provides motor vehicle transportation for passengers, parcels and express over most of the highways in the Province of New Brunswick. It is licensed for all highways in the Province of New Brunswick and it also provides a charter operation. In addition, it provides suburban service serving the cities of Saint John and Moncton. It connects with other passenger carriers at Amherst, Nova Scotia (for Nova Scotia and Prince Edward Island) and at St. Stephen, New Brunswick (for United States of America) and Campbellton and Edmundston (for the Province of Québec and westward points). As a result, the maintenance and continuity of these services is essential to the travelling public, in which the public has an interest to be served, in addition to the vital interests to both the employer and the bargaining unit.

Prior to outlining my recommendations for settlement, I wish to record some general propositions advanced by the employer. It pleads inability to pay. Financial statements were placed before me

by the employer. At the same time the employer offered its financial statements to the bargaining unit for examination and question. The employer made available its external auditor, Mr. Andrew Oulton, C.A. of the firm of Thorne Riddell & Co., Chartered Accountants. Mr. Oulton provided confirmation and supporting data for the following propositions advanced by the employer. I shall now list some of these, not by way of findings of fact, but as advanced by the employer and mainly documented and supported by Mr. Oulton and Thorne Riddell & Co.

(a) The employer was incorporated in 1937. It has never paid dividends.

(b) The cost of the entire proposals advanced by the bargaining unit will be approximately $393,000.00 if implemented in one year.

(c) About 15 months ago the employer sought and obtained a 20% increase in its passenger fares from the Motor Carrier Board of the Province of New Brunswick.

(d) Effective July 1, 1975, the employer applied to the Motor Carrier Board again and received without opposition a further 18% increase in its passenger fares.

(e) With each fare increase it has suffered a loss of passengers. Based on its previous experience it estimates the most recent fare increase will result in a loss of some 35,000 passenger fares.

(f) It has increased its charter rates to maximum levels.

(g) The employer believes it is charging the maximum the traffic will bear on all its sources of revenue: passenger, express and charter traffic.

(h) It has discontinued and revised some of its passenger routes in an effort to increase its income position.

(i) It showed a profit of approximately $4,000 on its 1974 operations. This profit position resulted from accidents causing sufficient damage to three buses that they were written off and not replaced. The recovery from the insurance proceeds and write off was approximately $48,000; otherwise the operating loss for the year ending December 31, 1974 would have been $44,000.

(j) The employer cancelled orders for new buses in January, 1975, and it is financially unable to replace its vehicles, let alone acquire new additions.

(k) With nominal wage increases, the employer projects a substantial loss on its 1975 operations, since it estimates every one per cent increase in wages will cost $10,000.

(l) The employer presently has well in excess of $200,000 owed trade creditors. It is being given extended terms on these trade debts, mainly due to the fact that they are being carried as receivables on the books of other companies whose management are considerate of the financial problems of the employer.

The bargaining unit has presented its case advancing the needs of its members, the increasing costs of living, comparative wage patterns in the community and in similar employment and the like. Prior to my meetings with the parties, the bargaining unit reduced its general wage demand by fifty per cent.

In formulating the recommendations contained in this report, I have had to take into consideration the financial plight of the employer, the needs of the members of the bargaining unit, the cost of living statistics, both regional cities (Saint John) and Canada-All Items Indexes. As a result, the recommendations are intended to hopefully strike a balance between providing a wage that will hold the line for the employees in real dollars, maintain relevant levels in base rates and at the same time accomplish these objectives at a pace with which the employer can be expected to hopefully achieve. These goals have to be achieved at the same time as a continuity of service to the travelling public is maintained.

My function as a Conciliation Commissioner is not to be confused with that of a wage arbiter. It is one of taking into account all of the matters placed before me and then making recommendations that hopefully the parties will find sufficiently acceptable to form the basis of a new Collective Agreement. To this task and within this framework and toward this end, I have tried to conscientiously assess all of the matters in dispute in the hopeful anticipation the recommendations to follow will be favourably received by both parties, and acted upon.

1. **Term of Agreement**

I recommend a one-year agreement, effective April 1, 1975 and ending March 31, 1976.

2. **Vacations**

The vacation schedule should provide four weeks vacation after fourteen years service, effective in the current year of the agreement, based upon existing criteria.

3. **Overtime**

Effective September 1, 1975, time and one-half should be paid after eight *consecutive* hours and after forty hours per week. This overtime rate will not apply to layover hours while on charter runs nor will it apply to the special provisions concerning *late arrival time*, to which special reference will be made later in this report.

4. **Spare Board Guarantee**

Effective upon the signing of the new Collective Agreement, the spare board guarantee should be based upon the hourly day rate of the local days pay (excluding the safety bonus). Where an employee on spare board works part of his day on spare board and part of his day at other duties, only those hours on spare board should be paid at the local days pay.

5. **Minimum Call-out**

Where an employee is called out from home, when otherwise not on duty, that employee should be paid a minimum three hours based on the local days pay rate. If the call-out exceeds three hours then the other provisions of the Collective Agreement will prevail.

6. **Summer Holiday Schedule**

Beginning June 1, 1976 and continuing to September 30, 1976, drivers should be permitted to bid two consecutive weeks vacation as seniority will permit. This will then let three drivers be on vacation at the same time.

Since this procedure will have additional cost to the employer at Saint John, I am recommending its implementation be delayed until 1976 but provision be made for it now. My information is that this procedure presently exists at Moncton and Fredericton. I am satisfied much can be accomplished by joint discussions between the employer and the bargaining unit on the method of implementation of this recommendation. To this end I invite joint discussions before its actual procedure of implementation is settled upon.

7. **Late Arrival Time**

I recommend a continuation of the existing provisions subject however to the additional provision for the payment of the safe driving bonus in cases where late time arrival occurs. Where late time arrival occurs, the recommendation in paragraph 3 of this report concerning overtime will not apply.

8. **Baggage Help At Major Terminals**

Presently baggage help is provided at Saint John, Moncton and Fredericton terminals and $3.50 is paid to the driver on the St. Stephen run.

I recommend this be continued including the $3.50 paid to the St. Stephen driver and in addition that baggage help be provided at Edmundston.

9. **Lay-Over Time on Charter Runs**

I recommend no change from the existing provisions of the last Collective Agreement. However I think it is imperative that the two parties record the existing rules that apply to charter runs because there appears to be a considerable misunderstanding of these rules, resulting generally from lack of communication. I leave it to the parties to decide whether they wish the applicable rules to be recorded in the Collective Agreement; I do not think it is mandatory to have them enshrined in the agreement so long as they are accurately recorded and made available, the one to the other.

10. **Tool Allowance**

I recommend a tool allowance of $25 be paid to those entitled to receive it, not later than December 1, 1975.

11. **Ticket and Express Agents**

At the present time there are three pay steps: start, intermediate and final. I recommend that in each classification the steps be reduced to two so that the first step will be from start to six months and the second step will be from six months onward.

The start step should be at the present intermediate or second step rate and the new second step rate should be at the present final or third step rate.

The existing differentials should be maintained, as well between both increment steps and classifications, after taking into account the July 1975 increases of the Canada Minimum Wage Rate which will automatically increase the existing intermediate or second step of the express agents. (I refer to Article 21 of the last Collective Agreement).

In addition, both classifications will be entitled to the general wage increase.

12. **The On-Duty Requirement of an Express Agent and Ticket Agent During "Limited" Runs**

This issue has been resolved and settled.

13. **Wages**

(a) Effective April 1, 1975, wages should be increased by nine per cent.

(b) Effective July 15, 1975, there should be a further increase of three per cent.

(c) Effective January 1, 1976, there should be a further increase of four per cent.

These general wage increases will apply across the board to all classifications.

DATED at Truro, Nova Scotia, this 19th day of July, 1975.

(Sgd.) Lorne O. Clarke,
Conciliation Commissioner.

Report of Conciliation Commissioner appointed to deal with a dispute involving Atomic Energy of Canada Limited (Commercial Products) (hereinafter called the "Company") and The Ottawa Atomic Workers Union, Local 1541 (CLC) (hereinafter called the "Union")

The Conciliation Commissioner appointed by the Minister of Labour to deal with this dispute was Judge J. C. Anderson of Belleville, Ontario. His report was received by the Minister in July.

Under date of July 14, 1975, I was advised that the Minister of Labour had appointed me Conciliation Commissioner to deal with the above-cited dispute. A hearing was arranged in Ottawa on July 22 and 23, 1975.

BACKGROUND

The Company is Atomic Energy of Canada Limited, a federal Crown company which is responsible for research and development of peaceful uses of atomic energy. At the present time Atomic Energy of Canada Limited has approximately 5,250 employees, of which 1,500 are hourly-paid staff. The Commercial Products Division is represented by Local 1541 (CLC) Atomic Workers Union and there are in all some 25 unions in the company's various areas of operation.

The Commercial Products Division processes and markets radioactive isotopes and designs, develops and manufactures associated equipment. Currently, there are some 240 employees represented by the Union but the Commercial Products Division's total operation employs over 600 individuals, of whom over 100 are professionals and upwards of 250 are administrative, technical and clerical. While there are 25 unions certified to represent Atomic Energy of Canada Limited employees, a settlement has been reached with those who belong to the Allied Council, which represents 10 locals, embracing 870 hourly-paid employees, some of whom perform services represented by this local. Local 1541 comprises skilled and semi-skilled trades people in the manufacturing area; radioactivity hazard staff and heating plant personnel, as well as building engineers and maintenance staff. The contract concerning renewal expired on the 31st of May, 1975 and negotiations relating to a renewal have been taking place since February and the Conciliation Officer stage was completed on July 2, 1975 without bringing about an agreement; hence the reference to a Commissioner whose main task is to attempt to bring about a new collective agreement. In the earlier negotiations and through the Conciliation Officer stage, a large number of items were tentatively agreed upon.

At the opening of the joint session on July 22, the areas that still remained in dispute were identified as relating to: (1) Seniority; (2) Classifications; (3) Vacations; (4) Wages (COLA). The representations before me all related to these issues which then remained in dispute. All the first day was taken up in hearing representations in an attempt by the Commissioner to see if it were not possible to bring about an agreement with respect to the issues just mentioned. As a result thereof, amendment to the seniority clause was tentatively agreed upon, which is incorporated in the recommendations I make hereunder.

CLASSIFICATIONS

A great deal of discussion was held on the problem of rates appropriate for certain classifications and while overall agreement was not reached on this issue, the complete package offered, which is hereinafter referred to as Exhibit A and forms part of this report, as tabled by the company on the afternoon of the second day of hearing, contained some amendments toward the union's objective in relation to certain classification rates, and which incorporates to some degree the union's desire for changes.

VACATIONS

With respect to vacations, although this was discussed at some length referring to the package offer tabled by the company, no changes were brought about as a result of our meetings.

WAGES AND COLA

With respect to wages and COLA, it was apparent that the union was concerned with the possibility of high inflationary rates in the second year of their contract and they desired, in addition to the increase in wages offered, a COLA clause which would protect their real wages in the event of soaring inflation continuing into the second year of contract. The company was not willing to enter into a COLA agreement or even a wage reopener. This matter will be discussed later in the report.

The overall package which the company proposed to the union on the second day of our hearing is attached hereto in total and is marked as Exhibit A and forms part of this report. After considering carefully all the issues in dispute and taking into account the company's reasons for rejecting COLA or wage reopeners and the union's feelings about their inability to bargain specifically for the members that they have been given representation of rights for, I recommend that the recently expired agreement, with the amendments proposed by the company, form the basis of a new collective agreement to run for a term of two years from the expiry of the last agreement and under which the wage improvements and all other improvements which cost money, as granted to other unions, be effective from the expiry of the last contract and would apply to all employees who were on the payroll on the expiry of the last agreement, but would not provide for additional wages and benefits for those who were on the payroll at the time of the expiry of the last agreement but who had since left the employ of the company.

COMMISSIONER VIEWS WITH RESPECT TO COMPANY'S PACKAGE OFFER AS SET OUT IN EXHIBIT A

It will be noted in the package that the company have tabled, that it contains a letter of intent that declares that after 1975, negotiations with all unions representing prevailing rate employees of Atomic Energy of Canada Limited are complete; the company plans to propose to all unions concerned open discussions on present and possible alternative arrangements for collective bargaining in AECL. Such a seminar's aim would be to see if it was possible to work out new, more effective arrangements which the parties concerned feel are likely to overcome or alleviate present problems. It is obvious that the union feel frustrated in bargaining when they are met with an answer that certain changes requested cannot be seriously considered because of company policy. On the ther hand, the company is also frustrated because they may feel that the need for certain changes in the contract relating to certain separate bargaining units, might be capable of improvement but that movement in these areas cannot be made without affecting the employees in other units where the problems may not be quite the same. Thus, the Commissioner feels that if such a seminar, as proposed by the company and largely brought about by the discussions in the last two days concerning the problems relating to the employees of Local 1541, is held after careful planning and discussions with the unions, that there is a real possibility that improved methods and techniques of bargaining between Atomic Energy of Canada Limited and its employees will be brought about.

The Commissioner was of the view that there was a relatively strong case made up for more improvement in the vacations provided under the offer tabled by the company for long-term employees. On the other hand, the improvements offered by the company are not inconsiderable and further improvements may have to wait for a later contract. The Commissioner also felt that the Committee had a genuine problem in relation to the second year contract by entering into an agreement without knowing the eroding effects that inflation may cause in relation to real wages in the second year of the contract. On the other hand, the offer tabled is a substantial one and if the fires of inflation gradually subside, it may very well be that in the second year of the contract, the offer for wage improvement offered by the company will result in a considerable improvement in real wages. On the other hand, if the worst takes place and the CPI rate of inflation exceeds the percentage rate increase in the second year by the company's offer, the same situation will affect all employees and the company, whether it likes it or not, may at that time have to reconsider its wage structure and protect its employees from erosion of real wages. Therefore, on the whole. I am of the view that the company has attempted to make a realistic proposal to its employees represented by this union and the fact that it has amended its seniority clause and has also provided for a shorter work period for certain shift employees, whose employment commences at 4:30 p.m., is an indication that the company is anxious to meet, insofar as it feels it can, some of the objectives that the union brought forward, before me as Commissioner, in relation to the terms of the company's tabled offer.

COMMENTS WITH RESPECT TO THE UNION'S METHOD OF PRESENTING COMPANY'S OFFER TO MEMBERSHIP

I was impressed with the way in which the union deals with package offers made by the company. Its procedures are carefully worked out in order that the individual member shall be fully and completely informed, not only of the terms of the offer but of the effects of the application. The union members are fully informed, meetings are held and decisions are made by private ballot. I could not refrain from commenting that if these procedures are carried out the way the union claims and I am sure they will be, the union membership is only asked to express an opinion after the negotiating committee have made sure that the full results of negotiations have been completely and fully spelled out in writing and explained to the members at a meeting called for that purpose.

To conclude, it is important in the future that better procedures for bargaining between the employer and its various separate units are worked out in the interval between contracts. Some employees may feel that the company's offer leaves something to be desired, however, I am of the opinion that for the term of the forthcoming contract, it should be accepted by the membership because it does contain very substantial improvements and is not out of line with if not completely matching the best offers made by other corporations in the private sector of the economy.

Dated at the City of Ottawa, Province of Ontario, this 24th day of July, 1975.

(Sgd.) J.C. Anderson,
Conciliation Commissioner.

EXHIBIT "A"
SUMMARY
OF
PROPOSALS FOR SETTLEMENT
BY
ATOMIC ENERGY OF CANADA LIMITED
COMMERCIAL PRODUCTS
FOR
THE OTTAWA ATOMIC WORKERS UNION
LOCAL 1541, CLC
FOR
NEW AGREEMENT
FOR
1 JUNE, 1975 – 31 MAY, 1977

ARTICLE 4 – RESERVATION OF MANAGEMENT RIGHTS

4.01 The Union acknowledges that it is the exclusive function of the Company subject to the specific provisions of this agreement to:

(a) Maintain order and efficiency, and to this end to make and alter from time to time the rules and regulations to be observed by the employees.

TENTATIVE PROPOSAL ON
REVAMPING CP GRIEVANCE PROCEDURE

ARTICLE 9 – GRIEVANCE

9.01 **Definition of Employee Grievance**

For the purpose of this Agreement, a grievance of employees is defined as a dispute or controversy between the Company and one or more of its employees which:

(a) Affects such employees in their work, pay, entitlement to pension benefits, or relations with the Company and arises under and by virtue of the application or interpretation of the provisions of this Agreement as to wages, hours, working conditions, or the terms of their employment, or

(b) Arises from alleged abuse of discretion by Company supervisors in their treatment of employees with respect to matters provided for in this Agreement, or

(c) Alleges that the Company has discriminated in respect of promotion, demotion, transfer, compulsory retirement before the official retirement age, and discharge or disciplinary action without good, just, or sufficient cause excepting discharge for reasons of security, or concerning an employee who is not on the seniority list.

9.02 **General Grievance Regulations**

(a) The word "days" as used in this article shall mean working days.

(b) The Company may request a more specific statement of a grievance or of subsequent replies if the statement or reply does not clearly and sufficiently state the problems or the reasons. The Union agrees that the discussion on each grievance shall be limited to the subject specified in the written grievance.

(c) Grievance forms shall be provided by the Union and triplicate copies shall be made of each grievance. After final disposition of a grievance is effected, the Company shall have one copy, the Union the remaining two copies.

(d) Any grievance not filed in writing with the Foreman or Supervisor within ten days after the occurrence which is the basis of the grievance shall be deemed to have been waived and shall not be considered. (Grievances relating to discharge or disciplinary suspension must be filed within five days – see Article 9.04 (e)).

(e) (i) Failure to take any successive steps herein provided for, within the specified number of days from the day the grievance is presented to the Union shall be deemed as acceptance of such decision as final.

(ii) If the Company representative fails to reply to a grievance within the specific time limit, at any step, the grievance may proceed to the next step.

(f) Wage or classification adjustments granted as a result of a presentation of a grievance shall not be made retroactive beyond the date on which the grievance was filed in writing at Step 1.

(g) The Company and the Union agree that no meeting shall last more than two hours, except by mutual agreement.

(h) Any or all of the time limits applicable to grievance procedures may be extended by mutual agreement of the Union and the Company.

9.03 **Normal Employee Grievance Procedure**

The normal employee Grievance Procedure shall be as follows:

Discussion of Complaint

A complaint must be discussed orally with the foreman or supervisor by the aggrieved employee either alone, or, at the request of the employee, in the presence of a Union representative.

In the event the complaint is not settled in this manner, it then becomes a grievance.

STEP 1 – Written Submission to First Line Management

(a) The grievance shall be reduced to writing on a standard grievance form in triplicate setting out the date of the event giving rise to the grievance, the names of any persons involved, other relevant facts and the remedial action requested. The grievance shall be signed by the employee and a Union representative and then presented to the foreman or supervisor by the Union representative for transmission to the next level of Mangement.

(b) Within two days of receipt of a grievance a hearing shall be had thereon if requested by either party. The appropriate Management representative shall write his decision on, sign and return the forms within two further days.

(c) Within two days after the Union representative has received an answer, the grievance forms shall be returned to the management representative by the Union representative appropriately marked as satisfactory or unsatisfactory.

STEP 2 – Division/Department Manager

(a) Where a second step grievance answered by the appropriate Management representative is marked unsatisfactory by the Union, a third step meeting with the Division/Departmental Manager will be arranged for, by the Company, or at the request of the Union as soon as possible, but not later than three days. The Union Representatives (up to two), the aggrieved employee and the Canadian Labour Congress representative may attend. The Division/Department Manager will answer in writing within three days of the meeting.

STEP 3 – Company-Union Meeting

(a) Should the reply in the third step be unsatisfactory to the Union, it will then decide whether to process the grievance further. If the Union decides to process further, then the Union shall, within fifteen days of the date of the third step answer, submit a request for a Company-Union meeting.

(b) The Union Representatives (up to three), the Canadian Labour Congress Representative, and the aggrieved employee may attend.

(c) A written decision, addressed to the Union shall be made within ten days after the meeting.

(d) If no response is made by the Union to this decision within ten days, the grievance shall be considered as settled.

9.04 **Grievance Procedure for Discharge or Disciplinary Suspension**

(a) In any case of discharge (except for reasons of security or disciplinary suspension), the employee and the Union shall be advised of the reason for such discharge or disciplinary suspension. The Union may request that the reason be put in writing. The grievance procedure in all cases of claimed wrongful discharge or disciplinary suspension shall be as follows:

(b) The alleged grievance shall be reduced to writing signed by the employee, and submitted to the Administration Manager or other designated Company representative, who if requested by the Union, shall arrange a meeting within three days following presentation of the matter. This meeting will be attended by the Union Representatives (up to three), the Canadian Labour Congress Representative, and by the aggrieved employee. The Administration Manager or other designated Company representative will submit a decision in writing to the Union within three days. A Union representative may act for an employee who is unable to present the case in person.

(c) The sole question to be determined by such procedure shall be whether or not such employee was discharged or suspended for improper or insufficient cause. If it is decided that the employee was wrongfully discharged or suspended, there shall be an award of reinstatement to the former job without loss of seniority and with full compensation for time loss at the regular wage rate less any earnings received from other sources during the period of discharge or suspension. The grievance may also be settled by deciding that the discharge or suspension given was for proper or sufficient cause. It is also understood that such a grievance may be settled by deciding that the penalty given to the employee was excessive, and that he should be reinstated with or without loss of some seniority rights, and with partial compensation for time lost.

(d) It is understood that discharge shall not embrace a layoff due to lack of work, or suspension of operations in the Plant.

(e) Cases of claimed wrongful discharge or disciplinary suspension shall be final and not entitled to consideration or made the basis of a grievance unless filed within five days after the employee and an officer of the local Union have received notification (or all reasonable steps have been taken to notify the employee) of discharge or disciplinary action.

9.05 **Grievance Procedure Re Status for Pension Benefits**

The grievance procedure in all cases of claimed errors in a past or present employee's entitlement to pension benefits shall be as follows:

(a) The alleged grievance shall be reduced to writing, signed by the employee or by a Union Representative and submitted to the Manager, Administration Division, or other designated Company representative within 12 months of termination of employment.

(b) A hearing may be called thereon by the Company or at the request of the Union. A National representative of the Union, and Executive Officer of the Union, and the aggrieved employee may attend. The Union representative may present the grievance for an employee who is unable to present the case in person.

(c) The Company representative will expeditiously prepare a written decision and submit it to the Union representative.

(d) A written Union reply shall be submitted to the Manager, Administration Division, within five days, stating whether the decision is satisfactory or unsatisfactory.

(e) As soon as a final disposition of the question is reached, either under this procedure or at arbitration, a copy of the decision or award shall be forwarded to the Pension Committee.

9.06 **Company Grievance**

It is understood that the Company may request a meeting with the Union for the purpose of presenting any complaints with respect to the conduct of the Union. If such a complaint by the Company is not settled, it may be treated as a grievance and referred to arbitration in the same way as a Union grievance.

9.07 **Union Grievance**

Any difference arising directly between the Union and the Company involving the interpretation or alleged violation of this Agreement which cannot otherwise be dealt with under Clauses 9.03 and 9.04, because of the inability or refusal of an employee to submit a grievance, or where the grievance affects a group of employees, or a department, or the plant as a whole, may be submitted by the Union in writing, at the second step, and dealt with as a proper grievance under the grievance procedure.

ARTICLE 11 – (NEW TITLE)

Seniority, Transfer, Promotion, Layoff, and Recall

AMEND ARTICLE 11 – TRANSFER, PROMOTION, LAYOFF, AND RECALL

As Follows:

Article 11 – **SENIORITY, TRANSFER, PROMOTION, LAYOFF, AND RECALL**

11.01 **Governing Principles**

(a) The skill and experience of an employee and his capacity to perform the required task shall be the determining factors in all cases of appointment, transfer, promotion, and in the advancement of an employee to a higher classification. Where these are *approximately* equal between two or more employees, seniority within the classification shall be the determining factor. *In the event that the Union is not satisfied that the Company's selection is in accordance with the foregoing this issue may be a proper subject for grievance and if necessary arbitration. In such circumstances the arbitrator selected must be one who has recognized qualifications in the area in dispute.*

ARTICLE 11 – SENIORITY, TRANSFER, PROMOTION, LAY-OFF AND RECALL

11.01 (c)

Employees appointed in the Trades Classification at the "C" or "B" levels will be reviewed at the conclusion of their probationary period and will be formally advised of the result.

11.02 **Seniority Lists**

11.02 (a) – Last sentence to read:

An employee will be placed on a seniority list after he has completed the 65 working days' probationary

period, and will then be credited with service since date of hire.

ARTICLE 12 – EMPLOYEE WELFARE PLANS

12.01 **Hospital and Medical Plans**

The Company will pay a monthly medical hospital allowance as follows:

(a) Ontario Residents

$22.00 (family coverage) and $11.00 (Single Coverage) to employer subscribers in the Company groups of the Ontario Health Insurance Plan and the Blue Cross Semi-private hospital supplement, and extended Health Care Plans.

(b) Quebec Residents

$20.50 to employee subscribers in the Company groups of the Blue Cross Semi-private hospital supplement and extended Health Care Plans.

12.02 **Sickness and Accident Indemnity Plan**

(a) The Company agrees to pay 80% of the cost of the sickness and Accident Indemnity Plan. When an illness exceeds 20 calendar days the waiting period (3 days) will subsequently be paid for by the Insurance Carrier.

(b) Where a Company holiday occurs during an employee's waiting period, the holiday will count as an illness waiting day.

(c) The weekly benefits (maximum 26 weeks) under this plan shall be based on 75% of the employee's basic hourly rate times 40.

12.03 **Sickness Supplement**

(a) An employee unable to work on his regularly scheduled working day because of illness shall receive 75% of his normal straight time hourly earnings, for each day to a maximum of three days in each fiscal year, when it is established that he will not otherwise receive compensation for the day concerned, whether by taking vacation leave or from the Sickness and Accident Indemnity Plan or any other source. If any of these days are not used in any year, they may be carried forward to the following year.

(b) Pro-rating of sickness Supplement credits for employees hired during the fiscal year will be made on the following basis:

- Hired prior to 1 August; 3 days
- Hired 1 August to 30 November inclusive; 2 days
- Hired 1 December to 31 March inclusive; 1 day

12.04 **Group Life Insurance**

The Company will provide a group life policy under which each employee (excepting those who elected not to participate when the plan was first introduced) is insured for an amount equal to one times his basic annual earnings, but if this amount is not a multiple of $250 the benefit is adjusted to the next higher multiple of $250; the Company will pay 50% of the premium. (On the death of an employee not covered by this plan, the spouse will receive a gratuity equal to two months' wages at the rate the employee was earning immediately prior to death.)

(former (b) deleted)

ARTICLE 13 – SUPERANNUATION AND RETIREMENT COMPENSATION

13.01 Employees will be covered by the Public Service Superannuation Act (Parts I, II, and III), the Supplementary Retirement Benefits Act, and the Statute Law (Supplementary Retirement Benefits) Amendment Act of 1973, the terms of which are not subject to collective bargaining. Any changes made in these Acts shall be considered under Article 2.

13.02 An employee who on retirement is entitled to an immediate unreduced pension, will be paid $100 for each completed year of continuous service.

ARTICLE 14 – COMPANY HOLIDAYS

One Company Holiday will be added commencing in calendar year 1976, for a total of 11, with the observance date to be determined.

ARTICLE 14 – COMPANY HOLIDAYS

14.03 Revise to Read:

An employee who is required to work overtime on a Company holiday shall, in addition to the pay as set out in 14.02 (a) or 14.02 (b) above, be paid at the rate of double time both his normal rate and shift premium, if applicable.

ARTICLE 15 – VACATION WITH PAY PLAN

15.01 **Definition of Terms**

(a) The vacation year shall extend from April 1 to March 31 of the following year.

(b) Continuous employment, excluding all periods of layoff, shall date from February 1, 1947, or date of employment, whichever is the later.

(c) One week shall consist of five days for both day and shift employees.

15.02 **Regulations Concerning Taking of Vacation**

(a) Scheduling of vacations is subject to plant workload and the taking of vacation leave requires the approval of the Branch Head.

(b) The Company has the right to shut the entire plant down at a fixed period for vacation purposes provided the Company informs the employees of its intention by April 1st of the year involved. Under this condition, all employees except those required for maintenance and other essential work during the shutdown period will be obliged to take their annual vacation during the fixed vacation period.

(c) Vacations may not be postponed from one year to another except for those employees entitled to 15 or more days' vacation leave. These employees can carry over 5 days to the succeeding year for purpose of taking an extended vacation, on approval of the Branch Head and subject to notice in writing by October 1st of the current year.

(d) It is not permissible to omit all or part of the vacation and draw vacation pay in lieu thereof. However, employees with less than one month of service at the start of the vacation year, who are not entitled to any vacation, receive vacation pay as shown in the Vacation Plan Tables.

(e) An employee may not draw vacation pay for a period of absence for which he is receiving benefits under the Sickness and Accident Indemnity Plan.

15.03 **Compensation For Vacation**

(a) "Employees shall receive vacation leave and pay according to length of service as set out in the Vacation Table, pages . . . , subject to 18.02 (b).

(b) Except in the case of any vacation carried over from 31 March 1975, which will be paid on the basis of the vacation pay plan in effect at that time, each day of vacation taken by an employee will be paid at his current rate(s) for his normal working hours for that day. No premiums or bonuses will, however, apply."

15.04 **Advance Payment**

An employee can receive vacation pay in advance of vacation leave subject to the following conditions:

(a) The amount of vacation pay advance shall be in proportion to the number of vacation days to be taken.

(b) The minimum amount of leave for which advance payment may be made is one week. For those employees whose entitlement is one week or less, the amount of pay advance shall be for the full time available to the employee.

(c) Application for vacation pay advance must be made in writing at least ten working days prior to the last day of work.

(d) Only one such advance payment will be made to each employee in a vacation year.

15.05 **Payment in Case of Termination of Employment**

An employee who terminates employment or who is laid off indefinitely will be paid at the time of termination or layoff:

(a) Any earned vacation compensation in accordance with Article 15.03, which he has not received, and

(b) Compensation on a pro-rate basis for vacation earned during the vacation year in which he terminates.

VACATION PLAN TABLE

	Employee's length of service at start of vacation year (1 April)	No. of days vacation available in the new vacation year
Less than 1 month	(Started March)	0
1 month but less than 2	(Started February)	1
2 months but less than 3	(Started January)	2
3 months but less than 4	(Started December)	3
4 months but less than 6	(Started Oct. or Nov.)	4
6 months but less than 7	(Started September)	5
7 months but less than 8	(Started August)	6
8 months but less than 9	(Started July)	7
9 months but less than 10	(Started June)	8
10 months but less than 12	(Started April or May)	9
1 year but less than 2¼		10
2¼ years but less than 2½	(Started Oct., Nov., or Dec.)	11
2½ years but less than 2¾	(Started July, Aug., or Sept.)	12
2¾ years but less than 3	(Started April, May or June)	13
3 years but less than 13½		15
13½ years but less than 14	(Started July to December)	16
14 years but less than 14½	(Started January to June)	17
14½ years but less than 15		18
15 years but less than 22		20
22 years but less than 24		21
24 years but less than 26		22
26 years but less than 28		23
28 years but less than 30		24
30 years or more		25

NOTE: For the purpose of this Plan, an employee who begins work on the first working day of the month will be considered to have started in the previous month.

REVISE 1st SENTENCE OF 16.01 (b) (i)

In the case of death in the family, employees will be granted leave with pay to a maximum of 3 days, to attend the funeral or settle the estate within one year of the testator's death.

REVISE 16.01 (b) (ii) TO READ

Delete "not exceeding" and replace with "up to one day with pay".

ARTICLE 17 – HOURS OF WORK

Amend 17.01 (a) as follows:
Evenings 4:30 p.m. – 12:30 a.m.

ARTICLE 18 – OVERTIME

Rewrite–

18.01 **Day Employees**

(a) Overtime worked by day employees, computed on a daily basis, shall be paid at the rate of time and one half.

(b) The first 8 hours of authorized work performed by day employees on their first day of rest (Saturday), except as provided in 18.01 (e), shall be paid at the rate of time and one half. Work performed beyond 8 hours shall be paid at the rate of double time.

(c) All authorized work performed by day employees on the second day of rest (Sunday) shall be paid at the rate of double time.

(d) All work performed by day employees on a Company holiday shall be paid at the rate of double time.

(e) Double time shall be paid for all time worked in excess of 10 hours beyond the employees basic scheduled work week. (Scheduled hours worked at double time on Company holidays will not be counted towards the 10 hour minimum)

(f) When an employee is required to work through his normal lunch period, he will be paid for this period only at the rate of time and one half and will be required to take an unpaid lunch period at the first opportunity.

19.03 **Shift Differentials**

Revise to Read:

	June 1/75
Evening and 3 shift	20 cents
Night (#1 shift)	25 cents

19.04 **Premium For Scheduled Sunday Shift Work**

Revise to Read:

A premium of 75 cents per hour shall be paid for each regularly scheduled hour worked on Sunday.

STORES UPGRADING

1. There will be a Storesman "A" classification at the Group 4 level;
2. There will be a Storesman "B" classification at the Group 5 level;
3. Candidates who do not satisfy the minimum qualifications (Grade 10 and 3 years stores experience), would be hired at the "B" level and may be reclassified within 2 years. Reclassification will be dependent upon performance;
4. Candidates who satisfy the minimum requirements may be hired immediately within the "A" classification.

ARTICLE 19 – WAGES

19.01 **Rates of Pay**

Group No.	1/6/75		1/6/76	
1	6.53	(6.91)	7.27	(7.68)
2	6.03	(6.40)	6.72	(7.11)
3	5.66	(6.02)	6.31	(6.69)
4	5.35	(5.70)	5.98	(6.35)
5	4.97	(5.31)	5.56	(5.91)
6	4.57	(4.89)	5.12	(5.46)
7	4.22		4.73	

(Note: Bracketed figures indicate Charge Hand Rates.)

Amend:

Article 19 – Wages

After removal of the storesman classification from Group 5, add .03¢ to the current basic rate, i.e. from $4.29 to $4.32. Establish a new group 3A, for the classification of Contamination Monitor at a rate of $4.75, to become $5.47 June 1, 1975, and $6.11 June 1, 1976.

LETTER SUPPLEMENTARY

It is the intent of the Company that contracting out will not adversely affect employees in the Bargaining Unit. To this end the Company will discuss with the Union any cases related to contracting out in which employees feel they are being adversely affected.

LETTER SUPPLEMENTARY

When it is necessary to extend a temporary job beyond 65 days the Company will so inform the Union and at the same time indicate the expected extension period.

FOR LETTER SUPPLEMENTARY

Supervisory Salaried Staff will not normally do work regularly performed by members of the Bargaining Unit. It is the intent of Management to maintain any practice to the contrary at a minimum.

SUPPLEMENTARY LETTER ITEM

Crossing Picket Lines

The Company will not expect an employee to cross a legal picket line, if to do so would place his life, limb or personal property in jeopardy.

SUPPLEMENTARY LETTER ITEM

After 1975 negotiations with all Unions representing prevailing rate employees of AECL are completed, the Company plans to propose to all the Unions concerned, joint discussions on present and possible alternative arrangements for collective bargaining in AECL. The aim would be to see if it is possible to work out new, more effective arrangements which the parties concerned feel are likely to overcome or alleviate some present problems.

Report of Conciliation Commissioner appointed to deal with a dispute involving Atomic Energy of Canada Limited (Whiteshell Nuclear Research Establishment) Pinawa, Man. and United Association of Journeymen and Apprentices of the Plumbing and Pipe Fitting Industry of the United States and Canada, Local Union No. 254

The Conciliation Commissioner appointed by the Minister of Labour to deal with this dispute was Joseph Francis O'Sullivan, Q.C., of Winnipeg. His report was received by the Minister in August.

I was appointed as a Conciliation Commissioner on July 7, 1975, and I sat with the parties on July 16 and July 23. The parties agreed to extend the time for my report to August 5, 1975.

I regret that I have been unable to succeed in effecting agreement between the parties on the matters on which they have not agreed, and I submit herewith my findings and recommendations.

A serious labour problem exists at the Whiteshell Nuclear Research Establishment at Pinawa, Manitoba. In my opinion, it is the result of an arbitrary and unreasonable stance by Atomic Energy of Canada Limited (herein called Atomic Energy) in its negotiations with the bargaining agent (herein called the union, or the Plumbers Union).

If persisted in, the attitude of Atomic Energy will leave the union no practical alternative but to defend themselves by every legal means.

There is only one issue that prevents a collective agreement from being concluded. That issue is whether or not there should be voluntary binding arbitration of a pay dispute.

The union is willing to have the dispute settled by an arbitrator to be appointed, in case the parties cannot agree on one, by the federal Minister of Labour.

Atomic Energy, a Crown corporation, says no. It says it is too risky to submit the dispute to an arbitrator even though he would be selected by the federal Minister of Labour!

This refusal by Atomic Energy to accede to voluntary binding arbitration of this dispute arises out of an attitude which, in defiance of the law, in defiance of employees' rights, and in defiance of common sense, has set itself rigidly in opposition to the very idea of separate bargaining by certified craft unions.

The officers of Atomic Energy are convinced that what they call "proliferation of unions" is so bad, so terrible in its potentiality for

mischief, that they must at all costs avoid anything that might encourage other trades to join craft unions and apply in future for certification in separate craft bargaining units.

They take this attitude notwithstanding that the right of employees to organize themselves as they wish has come to be accepted in Canada as a fundamental right and notwithstanding that the Canada Labour Board has certified the union as the bargaining agent for the 31 plumbers at Pinawa.

The company is willing to talk to the union but it is just not prepared to deal in a realistic way with the union on the basis that it represents a separate bargaining unit of employees.

The company says that it is impossible to deal with the plumbers in isolation from the other tradesmen at Pinawa.

The other tradesmen are organized at Pinawa in one bargaining unit represented by the International Association of Machinists and Aerospace Workers, Lodge 608 (herein called I.A.M.).

These tradesmen at Pinawa have accepted a contract which provides for an initial wage rate of $6.53 per hour for all trades except that of "Control Mechanic." Their contract provides for increases during the life of the contract, but for convenience I refer to the wage settlement with these other trades as one that provides $6.53 per hour.

The tradesmen who get this rate under the I.A.M. contract include electricians, millwrights, carpenters, instrument mechanics, and refrigeration and air conditioning mechanics.

Under the I.A.M. agreement at Pinawa, control mechanics get a special bonus of 17 cents per hour, so that their effective initial wage rate is $6.70 per hour.

The company is willing to pay plumbers, steamfitters and welders wages at the same rate as it has agreed to pay the tradesmen under the I.A.M. agreement, that is to say, an initial wage rate of $6.53 per hour.

The company says this is fair because electricians and millwrights, for example, have agreed through I.A.M. to accept this rate for them.

Furthermore, they say that Local 71 of the Plumbers Union have agreed to this rate at Atomic Energy's plant at Chalk River, Ontario.

The company also points to the findings of a review board set up in 1972 as a result of a conciliation board report which helped to end a strike by the plumbers at Pinawa in 1971.

That review board recommended that plumbers should be paid the same rates as electricians and millwrights.

The company says that if it agrees to give the plumbers at Pinawa even one penny an hour more than the initial rate of $6.53, then electricians and millwrights will be upset.

If they are upset, they are likely to join their own craft unions and apply for separate certifications. Then other trades may follow suit. There will be a proliferation of unions.

The company says it will then be at the mercy of each union in turn. The consequences are unthinkable.

Better, therefore, to have a little war now with the plumbers than to face the prospect of many wars later on with a multitude of unions.

The plumbers, for their part, say that an initial $6.70 per hour is the fair rate for them. They say their work compares with that done by control mechanics who get that rate at Pinawa.

They say that the initial rate of $6.53 per hour is not reasonable, having regard to what is paid by other employers to plumbers. Six dollars and seventy cents would be more appropriate as an initial rate.

They say that it is usual for plumbers to get more than some at least of the trades which are grouped in one classification in the I.A.M. agreement. They say it is not usual to have so many trades all getting a common rate.

The plumbers at Pinawa used to be in the I.A.M. unit and there used to be differential rates for some of the different trades. But, they say, the less skilled tradesmen had the majority in the unit and persuaded the company to have only one classification for most of the trades, including the plumbers.

It was for this reason that the plumbers at Pinawa in 1971 pulled out of the I.A.M. and joined the Plumbers' Union which then got a separate bargaining certificate from the Canada Labour Board over the opposition of Atomic Energy.

Nevertheless, the company says to the union, you accept what I.A.M. has bargained for its tradesmen. If you do not accept, you can go on strike or do as you please.

The Plumbers union says this is intolerable. They have made various proposals in an attempt to break the deadlock. They have said, if you do not want to give us the same wage as control mechanics, what about something in between, or what about a dual classification for plumbers giving a premium to those who work while exposed to radiation hazards.

No, says the company, we cannot give a penny more than we have bargained to give the electricians and millwrights because we would have a proliferation of unions were we to do so.

Well, then, say the plumbers, if we cannot agree on the wage rate let us have voluntary binding arbitration in the matter.

Unthinkable, says the company, we cannot agree to voluntary binding arbitration of this pay dispute because we cannot run the risk of it going against us. The law does not compel us to agree to voluntary binding arbitration and we are just not going to agree to it.

So the parties are at an impasse and there is no way out.

The attitude of the negotiators for the company seemed so unreasonable to me that a hearing was adjourned to permit consultation with senior officials of the company. It seemed to me that the fundamental problem between the parties is that the company refuses to deal with the union as a genuinely separate bargaining agent.

The president of the company met at Pinawa on July 21 and it was reported to me that he fully concurred in the attitude of the negotiators.

Furthermore, Vice-President, Robert Hart, appeared before me and confirmed what his negotiators said.

He was frank to say that if the company were dealing only with the Plumbers Union, there would be no difficulty, but he said the company cannot take the risk of proliferation of unions.

It was said that Prime Minister Trudeau has expressed concern about proliferation of unions.

I suggested to Mr. Hart that the determination of what is an appropriate bargaining unit is a function of the Canada Labour Board and it is open to the company to apply to the Board to have the bargaining units changed if they are inappropriate. He said, regardless of the decisions of the Canada Labour Board, the company cannot take the risk of an award which would see the plumbers paid at a rate different from electricians and millwrights.

In my opinion, Atomic Energy is engaged in a course of conduct which, if persisted in, is bound to lead to labour unrest, lack of morale and injustice.

I recognize that it is more convenient to deal with one union rather than with a number. It is less bother, less headache.

I recognize that the existence of many unions in one plant can give rise to the threat of sequential strikes at the behest of each union, but I think that the officers of Atomic Energy exaggerate that danger since it can be avoided by bargaining for common termination dates for all craft contracts.

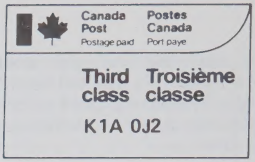
As long as we have a system of law which permits craft bargaining units, as determined by the Canada Labour Board, it seems to me that it is incumbent on Atomic Energy, a Crown corporation to follow the law in its letter and in its spirit.

I therefore recommend that Atomic Energy should agree to submit this pay dispute to binding arbitration by a single arbitrator to be selected by the parties if they are able to agree on one but if not to be appointed by the federal Minister of Labour.

I further recommend that steps should be taken by the Government of Canada to ensure that the attitude of the officers of Atomic Energy is changed so that its policy in labour negotiations with craft bargaining agents will be fully in accord with the spirit and the letter of the law.

(Sgd.) Joseph Francis O'Sullivan,
Conciliation Commissioner.

July 29, 1975



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